

355.3-604 Discharge by cancellation or renunciation.

- (1) A person entitled to enforce an instrument, with or without consideration, may discharge the obligation of a party to pay the instrument:
 - (a) By an intentional voluntary act, such as surrender of the instrument to the party, destruction, mutilation, or cancellation of the instrument, cancellation or striking out of the party's signature, or the addition of words to the instrument indicating discharge; or
 - (b) By agreeing not to sue or otherwise renouncing rights against the party by a signed record.
- (2) Cancellation or striking out of an indorsement pursuant to subsection (1) of this section does not affect the status and rights of a party derived from the indorsement.
- (3) In this section, "signed," with respect to a record that is not in writing, includes the attachment to or logical association with the record of an electronic symbol, sound, or process with the present intent to adopt or accept the record.

Effective: July 12, 2006

History: Amended 2006 Ky. Acts ch. 242, sec. 43, effective July 12, 2006. -- Repealed and reenacted 1996 Ky. Acts ch. 130, sec. 67, effective January 1, 1997. -- Created 1958 Ky. Acts ch. 77, sec. 3-604, effective July 1, 1960.